

Northeast Regional Development Commission Section-by-Section Summary

SECTION 1. SHORT TITLE; FINDINGS.

Congress finds that the northeastern border region of the Nation, while abundant in natural resources and rich in potential, lags behind much of the Nation in its economic growth. Manufacturing sector losses and out migration in the region have contributed greatly to the region's difficulties. Federal assistance to the region is necessary. The traditional industries of the region should be preserved, including the manufacturing, tourism, forestry, natural resources, agriculture, alternative transportation, snowmobiling, and recreation industries. The historic character, ecological integrity, and productive capacity of the historic forestlands are valuable resources that should be preserved.

SECTION 2. DEFINITIONS.

Defines "Commission," "Federal Grant Program," "Non-Profit Entity," and "Region."

SECTION 3. NORTHEAST REGIONAL DEVELOPMENT COMMISSION.

Establishes a commission with a Presidentially-appointed Federal member and the Governor of each State in the region that elects to participate in the Commission. Allows the appointment of alternates in the event of the absence, death, disability, removal, or resignation of a member, and states that the Commission shall determine what constitutes a quorum of the Commission.

States that Commission decisions will require the vote of the Federal cochairperson and of a majority of the State members, and that decisions involving Commission policy or other major decisions can only be made with a quorum. In general, the Commission will establish priorities and approve grants for the economic development of the region. It will provide support for local development districts, and allow their participation in all proceedings of the Commission. It will also encourage private investment, and conduct a resource study of northern Maine. The act allows for hearings, testimony, and requests for information, and establishes conduct procedures as well as provides for Federal cooperation. Administrative expenses will be paid 50% by the Federal Government and 50% by the participating States. Provides for procedures for delinquent states. Establishes compensation procedures and definitions of conflicts of interest. States that the Commission may declare void contracts with applicable violations of United States Code.

SECTION 4. ECONOMIC AND COMMUNITY DEVELOPMENT GRANTS.

The Commission may approve grants to States, local development districts, and public and nonprofit entities for projects to develop infrastructure, obtain job training, and provide assistance to severely distressed and underdeveloped areas. Funding can come from Commission appropriations or in combination with funds under another State or Federal grant program or any other source. The Commission may provide assistance, make grants, enter into contracts, and otherwise provide funds to eligible entities in the region for projects that promote business development, job training or employment-related education, local planning and leadership development, basic public infrastructure

(including high-tech infrastructure and productive natural resource conservation), forest-related cultural and heritage tourism, and any other project facilitating economic development in distressed counties and isolated areas of distress.

SECTION 5. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.

Commission funds may be used to fund all or any portion of the basic Federal contribution to a project or activity under a Federal grant program in the region in an amount that is above the fixed maximum portion of the cost of the project otherwise authorized by applicable law, but not to exceed 80 percent of the costs of the project. The federal representative must certify that such projects meet certain requirements.

SECTION 6. LOCAL DEVELOPMENT DISTRICTS; CERTIFICATION AND ADMINISTRATIVE EXPENSES.

Defines a “local development district” as a planning district recognized by the Economic Development Administration or the State, or an entity designated by the Commission that satisfies the criteria developed by the Economic Development Administration for a local development district if no such districts exist. The Commission may make grants for administrative expenses under this section but only for less than 80 percent of the administrative expenses of the local development district receiving the grant. Local development districts will assist in planning and by acting as liaisons.

SECTION 7. DEVELOPMENT PLANNING PROCESS.

Each State member shall submit a development plan for the area of the region represented by the State member in consultation with local development districts, local units of government and institutions of higher learning. Provides for public participation.

SECTION 8. PROGRAM DEVELOPMENT CRITERIA.

In considering projects and priorities, the Commission will consider the relationship of the project to overall regional development, the socioeconomic indicators in an area, and other factors. Funds cannot be used to relocate an establishment between areas.

SECTION 9. APPROVAL OF DEVELOPMENT PLANS AND PROJECTS.

The Commission will review development plans to ensure they meet applicable criteria and will put them to a vote. An application for assistance will be evaluated by the State member of the Commission representing the applicant and will require an affirmative vote of the Commission for final approval.

SECTION 10. CONSENT OF STATES.

Nothing in this Act requires any State to engage in or accept any program under this Act without the consent of the State.

SECTION 11. RECORDS.

The Commission shall maintain accurate and complete records of all transactions and activities of the Commission, and these records will be available for audit and examination by the Comptroller General of the United States.

SECTION 12. ANNUAL REPORT.

Not later than 180 days after the end of each fiscal year, the Commission shall submit to the President and to Congress a report describing the activities carried out under this Act.

SECTION 13. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated \$40,000,000 for each of fiscal years 2005 through 2009, to remain available until expended. Not more than 5 percent of the amount appropriated will be used for administrative expenses of the Commission.

SECTION 14. TERMINATION OF COMMISSION.

This Act shall have no force or effect on or after October 1, 2009.

SECTION 15. AREA COVERED BY NORTHEAST REGIONAL DEVELOPMENT COMMISSION.

The exact area covered by the Commission to be determined at a future date, but not to overlap with the Appalachian Regional Commission, and intended to cover all economically distressed areas within the region.